

ANDHRA CEMENTS LIMITED

CIN : L26942AP1936PLC002379

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Code of Practices and Procedures for Fair Disclosure Of Unpublished Price Sensitive Information

(As approved by the Board of Directors of the Company)

I PREAMBLE

Introduction

As a listed & publicly traded Company, Andhra Cements Limited (the “Company”) is obligated to comply with the disclosure requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “Regulations”) that have come into effect on 15th May, 2015.

The fair disclosure requirements set forth in the Regulations are premised on all persons investing in securities of listed companies having equal access to information that may affect their investment decisions. Even more importantly, the integrity of the capital markets is based on full and fair disclosure of material information concerning public companies.

Regulation 8 (1) of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the 'Regulations') requires the Board of Directors of every Company whose securities are listed on a stock exchange to formulate and publish on its official website, a **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** (the “Fair Disclosure Code”) that it would follow in order to adhere to each of the principles set out in Schedule A to the Regulations.



II DEFINITIONS

1. **'Chief Investors Relations Officer'** shall be such person as the Disclosure Code Committee may designate a person from time to time.
2. **'Company'** means Andhra Cements Limited
3. **'Compliance Officer'** shall mean any senior officer designated so and reporting to the Board of Directors.
4. **'Connected Person'** means:-
 - i. any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established: –
 - a. an immediate relative of connected persons specified in clause (i); or
 - b. a holding company or associate company or subsidiary company; or
 - c. an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - d. an investment company, trustee company, asset management company or an employee or director thereof; or
 - e. an official of a stock exchange or of clearing house or corporation; or



- f. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - g. a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - h. an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
 - i. a banker of the company; or
 - j. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;
5. **'Dealing in Securities'** means subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities either as principal or agent.
6. **'Fair Disclosure Code'** means this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
7. **'Generally available Information'** means Information that is accessible to public on non-discriminatory basis.
8. **'Trading'** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly ;
9. **'Unpublished Price Sensitive Information' (UPSI)** means:-

any information, relating to a company or its securities, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following: -

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel; and



- vi. material events in accordance with the listing agreement.

III INTERPRETATION

1. Terms that have not been defined in this Fair Disclosure Code shall have the same meaning assigned to them in Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 and in the Regulations.
2. The Fair Disclosure Code can be modified/amended/alterd only by Board of Directors of the Company. The Fair Disclosure Code or any amendment thereto shall be intimated promptly to stock exchanges and got their confirmation.

IV APPLICABILITY

In line with the said Regulations, this Fair Disclosure Code has been formulated and adopted by the Board of Directors of the Company to be effective from May 15, 2015.

V CODE DEFINING PRINCIPLES OF FAIR DISCLOSURE

1. **Aims of Corporate Disclosure Procedures and Practices:**
 - a. To raise awareness of the Company's approach to disclosure among directors, senior management and employees;
 - b. To raise awareness of the risk of selective disclosures.
 - c. Inculcate better awareness & thereby reducing the likelihood of insider trading.
2. **Objectives of Corporate Disclosure Procedures and Practices**

The objectives of the **Fair Disclosure Code of Corporate Disclosure Procedure and Practices** (the "Fair Disclosure Code") are as follows:

- a. to ensure prompt and systematic disclosure of UPSI that would impact price discovery obligations as mandated in the Regulations and also the provisions of listing agreements;
- b. to ensure that UPSI disclosed by the Company is timely and contains sufficient details to allow informed investment decision-making;
- c. to ensure that press releases, presentations to analysts, corporate documents and public statements do not contain any

